

109TH CONGRESS
2D SESSION

H. R. 5728

To amend titles XIX and XXI of the Social Security Act to provide States with the option to expand or add coverage of pregnant women under the Medicaid and State children's health insurance programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 2006

Ms. DEGETTE (for herself and Mr. WALDEN of Oregon) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend titles XIX and XXI of the Social Security Act to provide States with the option to expand or add coverage of pregnant women under the Medicaid and State children's health insurance programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Prevent Prematurity and Improve Child Health Act of
6 2006”.

1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. State option to expand or add coverage of certain pregnant women under medicaid and SCHIP.
- Sec. 3. Promoting cessation of tobacco use under the medicaid program.
- Sec. 4. Promoting cessation of tobacco use under the maternal and child health services block grant program.
- Sec. 5. State option to provide family planning services and supplies to individuals with incomes that do not exceed a State's income eligibility level for medical assistance.
- Sec. 6. State option to extend the postpartum period for provision of family planning services and supplies.
- Sec. 7. State option to provide wrap-around SCHIP coverage to children who have other health coverage.

3 **SEC. 2. STATE OPTION TO EXPAND OR ADD COVERAGE OF**
 4 **CERTAIN PREGNANT WOMEN UNDER MED-**
 5 **ICAID AND SCHIP.**

6 (a) MEDICAID.—

7 (1) AUTHORITY TO EXPAND COVERAGE.—Sec-
 8 tion 1902(l)(2)(A)(i) of the Social Security Act (42
 9 U.S.C. 1396a(l)(2)(A)(i)) is amended by inserting
 10 “(or such higher percentage as the State may elect
 11 for purposes of expenditures for medical assistance
 12 for pregnant women described in section
 13 1905(u)(4)(A))” after “185 percent”.

14 (2) ENHANCED MATCHING FUNDS AVAILABLE
 15 IF CERTAIN CONDITIONS MET.—Section 1905 of the
 16 Social Security Act (42 U.S.C. 1396d) is amended—
 17 (A) in the fourth sentence of subsection
 18 (b), by striking “or subsection (u)(3)” and in-
 19 serting “, (u)(3), or (u)(4)”; and

1 (B) in subsection (u)—

2 (i) by redesignating paragraph (4) as
3 paragraph (5); and

4 (ii) by inserting after paragraph (3)
5 the following new paragraph:

6 “(4) For purposes of the fourth sentence of sub-
7 section (b) and section 2105(a), the expenditures de-
8 scribed in this paragraph are the following:

9 “(A) CERTAIN PREGNANT WOMEN.—If the con-
10 ditions described in subparagraph (B) are met, ex-
11 penditures for medical assistance for pregnant
12 women described in subsection (n) or under section
13 1902(l)(1)(A) in a family the income of which ex-
14 ceeds 185 percent of the poverty line, but does not
15 exceed the income eligibility level established under
16 title XXI for a targeted low-income child.

17 “(B) CONDITIONS.—The conditions described
18 in this subparagraph are the following:

19 “(i) The State plans under this title and
20 title XXI do not provide coverage for pregnant
21 women described in subparagraph (A) with
22 higher family income without covering such
23 pregnant women with a lower family income.

24 “(ii) The State does not apply an effective
25 income level for pregnant women that is lower

than the effective income level (expressed as a percent of the poverty line and considering applicable income disregards) that has been specified under the State plan under subsection (a)(10)(A)(i)(III) or (l)(2)(A) of section 1902, as of January 1, 2006, to be eligible for medical assistance as a pregnant woman.

“(C) DEFINITION OF POVERTY LINE.—In this subsection, the term ‘poverty line’ has the meaning given such term in section 2110(c)(5).”.

(3) PAYMENT FROM TITLE XXI ALLOTMENT FOR MEDICAID EXPANSION COSTS; ELIMINATION OF COUNTING MEDICAID CHILD PRESUMPTIVE ELIGIBILITY COSTS AGAINST TITLE XXI ALLOTMENT.—Section 2105(a)(1) of the Social Security Act (42 U.S.C. 1397ee(a)(1)) is amended—

(A) in the matter preceding subparagraph (A), by striking “(or, in the case of expenditures described in subparagraph (B), the Federal medical assistance percentage (as defined in the first sentence of section 1905(b)))”; and

(B) by striking subparagraph (B) and inserting the following new subparagraph:

1 “(B) for the provision of medical assist-
 2 ance that is attributable to expenditures de-
 3 scribed in section 1905(u)(4)(A);”.

4 (b) SCHIP.—

5 (1) COVERAGE.—Title XXI of the Social Secu-
 6 rity Act (42 U.S.C. 1397aa et seq.) is amended by
 7 adding at the end the following new section:

8 **“SEC. 2111. OPTIONAL COVERAGE OF TARGETED LOW-IN-**
 9 **COME PREGNANT WOMEN.**

10 “(a) OPTIONAL COVERAGE.—Notwithstanding any
 11 other provision of this title, a State may provide for cov-
 12 erage, through an amendment to its State child health
 13 plan under section 2102, of pregnancy-related assistance
 14 for targeted low-income pregnant women in accordance
 15 with this section, but only if—

16 “(1) the State has established an income eligi-
 17 bility level for pregnant women under subsection
 18 (a)(10)(A)(i)(III) or (l)(2)(A) of section 1902 that is
 19 at least 185 percent of the income official poverty
 20 line; and

21 “(2) the State meets the conditions described in
 22 section 1905(u)(4)(B).

23 “(b) DEFINITIONS.—For purposes of this title:

24 “(1) PREGNANCY-RELATED ASSISTANCE.—The
 25 term ‘pregnancy-related assistance’ has the meaning

1 given the term child health assistance in section
2 2110(a) as if any reference to targeted low-income
3 children were a reference to targeted low-income
4 pregnant women, except that the assistance shall be
5 limited to services related to pregnancy (which in-
6 clude prenatal, delivery, and postpartum services
7 and services described in section 1905(a)(4)(C)) and
8 to other conditions that may complicate pregnancy.

9 “(2) TARGETED LOW-INCOME PREGNANT
10 WOMAN.—The term ‘targeted low-income pregnant
11 woman’ means a woman—

12 “(A) during pregnancy and through the
13 end of the month in which the 60-day period
14 (beginning on the last day of her pregnancy)
15 ends;

16 “(B) whose family income exceeds the ef-
17 fective income level (expressed as a percent of
18 the poverty line and considering applicable in-
19 come disregards) that has been specified under
20 subsection (a)(10)(A)(i)(III) or (l)(2)(A) of sec-
21 tion 1902, as of January 1, 2006, to be eligible
22 for medical assistance as a pregnant woman
23 under title XIX but does not exceed the income
24 eligibility level established under the State child

1 health plan under this title for a targeted low-
2 income child; and

3 “(C) who satisfies the requirements of
4 paragraphs (1)(A), (1)(C), (2), and (3) of sec-
5 tion 2110(b).

6 “(c) REFERENCES TO TERMS AND SPECIAL
7 RULES.—In the case of, and with respect to, a State pro-
8 viding for coverage of pregnancy-related assistance to tar-
9 geted low-income pregnant women under subsection (a),
10 the following special rules apply:

11 “(1) Any reference in this title (other than in
12 subsection (b)) to a targeted low-income child is
13 deemed to include a reference to a targeted low-in-
14 come pregnant woman.

15 “(2) Any such reference to child health assist-
16 ance with respect to such women is deemed a ref-
17 erence to pregnancy-related assistance.

18 “(3) Any such reference to a child is deemed a
19 reference to a woman during pregnancy and the pe-
20 riod described in subsection (b)(2)(A).

21 “(4) In applying section 2102(b)(3)(B), any
22 reference to children found through screening to be
23 eligible for medical assistance under the State med-
24 icaid plan under title XIX is deemed a reference to
25 pregnant women.

1 “(5) There shall be no exclusion of benefits for
2 services described in subsection (b)(1) based on any
3 preexisting condition and no waiting period (includ-
4 ing any waiting period imposed to carry out section
5 2102(b)(3)(C)) shall apply.

6 “(6) Subsection (a) of section 2103 (relating to
7 required scope of health insurance coverage) shall
8 not apply insofar as a State limits coverage to serv-
9 ices described in subsection (b)(1) and the reference
10 to such section in section 2105(a)(1)(C) is deemed
11 not to require, in such case, compliance with the re-
12 quirements of section 2103(a).

13 “(7) In applying section 2103(e)(3)(B) in the
14 case of a pregnant woman provided coverage under
15 this section, the limitation on total annual aggregate
16 cost-sharing shall be applied to such pregnant
17 woman.

18 “(8) The reference in section 2107(e)(1)(D) to
19 section 1920A (relating to presumptive eligibility for
20 children) is deemed a reference to section 1920 (re-
21 lating to presumptive eligibility for pregnant
22 women).

23 “(d) AUTOMATIC ENROLLMENT FOR CHILDREN
24 BORN TO WOMEN RECEIVING PREGNANCY-RELATED AS-
25 SISTANCE.—If a child is born to a targeted low-income

1 pregnant woman who was receiving pregnancy-related as-
 2 sistance under this section on the date of the child's birth,
 3 the child shall be deemed to have applied for child health
 4 assistance under the State child health plan and to have
 5 been found eligible for such assistance under such plan
 6 or to have applied for medical assistance under title XIX
 7 and to have been found eligible for such assistance under
 8 such title, as appropriate, on the date of such birth and
 9 to remain eligible for such assistance until the child at-
 10 tains 1 year of age. During the period in which a child
 11 is deemed under the preceding sentence to be eligible for
 12 child health or medical assistance, the child health or med-
 13 ical assistance eligibility identification number of the
 14 mother shall also serve as the identification number of the
 15 child, and all claims shall be submitted and paid under
 16 such number (unless the State issues a separate identifica-
 17 tion number for the child before such period expires).".

18 (2) ADDITIONAL ALLOTMENTS FOR PROVIDING
 19 COVERAGE OF PREGNANT WOMEN.—

20 (A) IN GENERAL.—Section 2104 of the So-
 21 cial Security Act (42 U.S.C. 1397dd) is amend-
 22 ed by adding at the end the following new sub-
 23 section:

24 “(h) ADDITIONAL ALLOTMENTS FOR PROVIDING
 25 COVERAGE OF PREGNANT WOMEN.—

1 “(1) APPROPRIATION; TOTAL ALLOTMENT.—

2 For the purpose of providing additional allotments
3 to States under this title, there is appropriated, out
4 of any money in the Treasury not otherwise appro-
5 priated, for each of fiscal years 2007 through 2010,
6 \$200,000,000.

7 “(2) STATE AND TERRITORIAL ALLOTMENTS.—

8 In addition to the allotments provided under sub-
9 sections (b) and (c), subject to paragraphs (3) and
10 (4), of the amount available for the additional allot-
11 ments under paragraph (1) for a fiscal year, the
12 Secretary shall allot to each State with a State child
13 health plan approved under this title—

14 “(A) in the case of such a State other than
15 a commonwealth or territory described in sub-
16 paragraph (B), the same proportion as the pro-
17 portion of the State’s allotment under sub-
18 section (b) (determined without regard to sub-
19 section (f)) to the total amount of the allot-
20 ments under subsection (b) for such States eli-
21 gible for an allotment under this paragraph for
22 such fiscal year; and

23 “(B) in the case of a commonwealth or ter-
24 ritory described in subsection (c)(3), the same
25 proportion as the proportion of the common-

1 wealth’s or territory’s allotment under sub-
2 section (c) (determined without regard to sub-
3 section (f)) to the total amount of the allot-
4 ments under subsection (c) for commonwealths
5 and territories eligible for an allotment under
6 this paragraph for such fiscal year.

7 “(3) USE OF ADDITIONAL ALLOTMENT.—Addi-
8 tional allotments provided under this subsection are
9 not available for amounts expended before October
10 1, 2006. Such amounts are available for amounts ex-
11 pended on or after such date for child health assist-
12 ance for targeted low-income children, as well as for
13 pregnancy-related assistance for targeted low-income
14 pregnant women.

15 “(4) NO PAYMENTS UNLESS ELECTION TO EX-
16 PAND COVERAGE OF PREGNANT WOMEN.—No pay-
17 ments may be made to a State under this title from
18 an allotment provided under this subsection unless
19 the State provides pregnancy-related assistance for
20 targeted low-income pregnant women under this
21 title, or provides medical assistance for pregnant
22 women under title XIX, whose family income ex-
23 ceeds the effective income level applicable under sub-
24 section (a)(10)(A)(i)(III) or (l)(2)(A) of section

1 1902 to a family of the size involved as of January
2 1, 2006.”.

3 (B) CONFORMING AMENDMENTS.—Section
4 2104 of the Social Security Act (42 U.S.C.
5 1397dd) is amended—

6 (i) in subsection (a), in the matter
7 preceding paragraph (1), by inserting
8 “subject to subsection (h),” after “under
9 this section,”;

10 (ii) in subsection (b)(1), by inserting
11 “and subsection (h)” after “Subject to
12 paragraph (4)”; and

13 (iii) in subsection (c)(1), by inserting
14 “subject to subsection (h),” after “for a
15 fiscal year,”.

16 (3) ADDITIONAL CONFORMING AMENDMENTS.—

17 (A) NO COST-SHARING FOR PREGNANCY-
18 RELATED BENEFITS.—Section 2103(e)(2) of
19 the Social Security Act (42 U.S.C.
20 1397cc(e)(2)) is amended—

21 (i) in the heading, by inserting “or
22 pregnancy-related services” after “preven-
23 tive services”; and

1 (ii) by inserting before the period at
 2 the end the following: “or for pregnancy-
 3 related services”.

4 (B) NO WAITING PERIOD.—Section
 5 2102(b)(1)(B) (42 U.S.C. 1397bb(b)(1)(B)) is
 6 amended—

7 (i) in clause (i), by striking “, and” at
 8 the end and inserting a semicolon;

9 (ii) in clause (ii), by striking the pe-
 10 riod at the end and inserting “; and”; and

11 (iii) by adding at the end the fol-
 12 lowing new clause:

13 “(iii) may not apply a waiting period
 14 (including a waiting period to carry out
 15 paragraph (3)(C)) in the case of a targeted
 16 low-income pregnant woman.”.

17 (c) AUTHORITY FOR STATES THAT PROVIDE MED-
 18 ICAID OR SCHIP COVERAGE FOR PREGNANT WOMEN
 19 WITH INCOME ABOVE 185 PERCENT OF THE POVERTY
 20 LINE TO USE PORTION OF SCHIP FUNDS FOR MEDICAID
 21 EXPENDITURES.—Section 2105(g) of the Social Security
 22 Act (42 U.S.C. 1397ee(g)) is amended—

23 (1) in the subsection heading, by inserting
 24 **“AND CERTAIN PREGNANCY COVERAGE EXPAN-**
 25 **SION STATES”** after **“QUALIFYING STATES”**;

1 (2) by adding at the end the following:

2 “(4) SPECIAL AUTHORITY FOR CERTAIN PREG-
3 NANCY COVERAGE EXPANSION STATES.—

4 “(A) IN GENERAL.—In the case of a State
5 that, as of the date of enactment of the Prevent
6 Prematurity and Improve Child Health Act of
7 2006, has an income eligibility standard under
8 title XIX or this title (under section
9 1902(a)(10)(A) or under a statewide waiver in
10 effect under section 1115 with respect to title
11 XIX or this title) that is at least 185 percent
12 of the poverty line with respect to pregnant
13 women, the State may elect to use not more
14 than 20 percent of any allotment under section
15 2104 for any fiscal year (insofar as it is avail-
16 able under subsections (e) and (g) of such sec-
17 tion) for payments under title XIX in accord-
18 ance with subparagraph (B), instead of for ex-
19 penditures under this title.

20 “(B) PAYMENTS TO STATES.—

21 “(i) IN GENERAL.—In the case of a
22 State described in subparagraph (A) that
23 has elected the option described in that
24 subparagraph, subject to the availability of
25 funds under such subparagraph and, if ap-

1 plicable, paragraph (1)(A), with respect to
2 the State, the Secretary shall pay the State
3 an amount each quarter equal to the addi-
4 tional amount that would have been paid
5 to the State under title XIX with respect
6 to expenditures described in clause (ii) if
7 the enhanced FMAP (as determined under
8 subsection (b)) had been substituted for
9 the Federal medical assistance percentage
10 (as defined in section 1905(b)).

11 “(ii) EXPENDITURES DESCRIBED.—
12 For purposes of this subparagraph, the ex-
13 penditures described in this clause are ex-
14 penditures, made after the date of the en-
15 actment of this paragraph and during the
16 period in which funds are available to the
17 State for use under subparagraph (A), for
18 medical assistance under title XIX for
19 pregnant women whose family income is at
20 least 185 percent of the poverty line.

21 “(iii) NO IMPACT ON DETERMINATION
22 OF BUDGET NEUTRALITY FOR WAIVERS.—
23 In the case of a State described in sub-
24 paragraph (A) that uses amounts paid
25 under this paragraph for expenditures de-

1 scribed in clause (ii) that are incurred
2 under a waiver approved for the State, any
3 budget neutrality determinations with re-
4 spect to such waiver shall be determined
5 without regard to such amounts paid.”;
6 and

7 (3) in paragraph (3), by striking “and (2)” and
8 inserting “(2), and (4)”.

9 (d) OTHER AMENDMENTS TO MEDICAID.—

10 (1) ELIGIBILITY OF A NEWBORN.—Section
11 1902(e)(4) of the Social Security Act (42 U.S.C.
12 1396a(e)(4)) is amended in the first sentence by
13 striking “so long as the child is a member of the
14 woman’s household and the woman remains (or
15 would remain if pregnant) eligible for such assist-
16 ance”.

17 (2) APPLICATION OF QUALIFIED ENTITIES TO
18 PRESUMPTIVE ELIGIBILITY FOR PREGNANT WOMEN
19 UNDER MEDICAID.—Section 1920(b) of the Social
20 Security Act (42 U.S.C. 1396r–1(b)) is amended by
21 adding after paragraph (2) the following flush sen-
22 tence:

23 “The term ‘qualified provider’ includes a qualified en-
24 tity as defined in section 1920A(b)(3).”.

1 (e) EFFECTIVE DATE.—The amendments made by
 2 this section apply to items and services furnished on or
 3 after October 1, 2006, without regard to whether regula-
 4 tions implementing such amendments have been promul-
 5 gated.

6 **SEC. 3. PROMOTING CESSATION OF TOBACCO USE UNDER**
 7 **THE MEDICAID PROGRAM.**

8 (a) DROPPING EXCEPTION FROM MEDICAID PRE-
 9 SCRIPTON DRUG COVERAGE FOR TOBACCO CESSATION
 10 MEDICATIONS.—Section 1927(d)(2) of the Social Security
 11 Act (42 U.S.C. 1396r–8(d)(2)) is amended—

12 (1) by striking subparagraph (E);

13 (2) by redesignating subparagraphs (F)
 14 through (J) as subparagraphs (E) through (I), re-
 15 spectively; and

16 (3) in subparagraph (F) (as redesignated by
 17 paragraph (2)), by inserting before the period at the
 18 end the following: “, except agents approved by the
 19 Food and Drug Administration for purposes of pro-
 20 moting, and when used to promote, tobacco ces-
 21 sation”.

22 (b) REQUIRING COVERAGE OF TOBACCO CESSATION
 23 COUNSELING SERVICES FOR PREGNANT WOMEN.—Sec-
 24 tion 1905 of the Social Security Act (42 U.S.C.
 25 1396d(a)(4)) is amended—

1 (1) in subsection (a)(4)—

2 (A) by striking “and” before “(C)”; and

3 (B) by inserting before the semicolon at

4 the end the following new subparagraph: “; and

5 (D) counseling for cessation of tobacco use (as

6 defined in subsection (x)) for pregnant women”;

7 and

8 (2) by adding at the end the following:

9 “(x)(1) For purposes of this title, the term ‘coun-
10 seling for cessation of tobacco use’ means therapy and
11 counseling for cessation of tobacco use for pregnant
12 women who use tobacco products or who are being treated
13 for tobacco use that is furnished—

14 “(A) by or under the supervision of a physician;

15 or

16 “(B) by any other health care professional
17 who—

18 “(i) is legally authorized to furnish such
19 services under State law (or the State regu-
20 latory mechanism provided by State law) of the
21 State in which the services are furnished; and

22 “(ii) is authorized to receive payment for
23 other services under this title or is designated
24 by the Secretary for this purpose.

1 “(2) Subject to paragraph (3), such term is limited
2 to—

3 “(A) therapy and counseling services rec-
4 ommended in ‘Treating Tobacco Use and Depend-
5 ence: A Clinical Practice Guideline’, published by the
6 Public Health Service in June 2000, or any subse-
7 quent modification of such Guideline; and

8 “(B) such other therapy and counseling services
9 that the Secretary recognizes to be effective.

10 “(3) Such term shall not include coverage for drugs
11 or biologicals that are not otherwise covered under this
12 title.”.

13 (c) REMOVAL OF COST-SHARING FOR TOBACCO CES-
14 SATION COUNSELING SERVICES FOR PREGNANT
15 WOMEN.—Section 1916 of the Social Security Act (42
16 U.S.C. 1396o) is amended in each of subsections (a)(2)(B)
17 and (b)(2)(B) by inserting “, and counseling for cessation
18 of tobacco use (as defined in section 1905(x))” after “com-
19 plicate the pregnancy”.

20 (d) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to services furnished on or after
22 the date that is 1 year after the date of enactment of this
23 Act.

1 **SEC. 4. PROMOTING CESSATION OF TOBACCO USE UNDER**
2 **THE MATERNAL AND CHILD HEALTH SERV-**
3 **ICES BLOCK GRANT PROGRAM.**

4 (a) QUALITY MATERNAL AND CHILD HEALTH SERV-
5 ICES INCLUDES TOBACCO CESSATION COUNSELING AND
6 MEDICATIONS.—

7 (1) IN GENERAL.—Section 501 of the Social
8 Security Act (42 U.S.C. 701) is amended by adding
9 at the end the following new subsection:

10 “(d) For purposes of this title, counseling for ces-
11 sation of tobacco use (as defined in section 1905(x)),
12 drugs and biologicals used to promote smoking cessation,
13 and the inclusion of antitobacco messages in health pro-
14 motion counseling shall be considered to be part of quality
15 maternal and child health services.”.

16 (2) EFFECTIVE DATE.—The amendment made
17 by paragraph (1) shall take effect on the date that
18 is 1 year after the date of enactment of this Act.

19 (b) EVALUATION OF NATIONAL CORE PERFORMANCE
20 MEASURES.—

21 (1) IN GENERAL.—The Administrator of the
22 Health Resources and Services Administration shall
23 assess the current national core performance meas-
24 ures and national core outcome measures utilized
25 under the Maternal and Child Health Block Grant
26 under title V of the Social Security Act (42 U.S.C.

1 701 et seq.) for purposes of expanding such meas-
2 ures to include some of the known causes of low
3 birthweight and prematurity, including the percent-
4 age of infants born to pregnant women who smoked
5 during pregnancy.

6 (2) REPORT.—Not later than 1 year after the
7 date of enactment of this Act, the Administrator of
8 the Health Resources and Services Administration
9 shall submit to the appropriate committees of Con-
10 gress a report concerning the results of the evalua-
11 tion conducted under paragraph (1).

12 **SEC. 5. STATE OPTION TO PROVIDE FAMILY PLANNING**
13 **SERVICES AND SUPPLIES TO INDIVIDUALS**
14 **WITH INCOMES THAT DO NOT EXCEED A**
15 **STATE'S INCOME ELIGIBILITY LEVEL FOR**
16 **MEDICAL ASSISTANCE.**

17 (a) IN GENERAL.—Title XIX of the Social Security
18 Act (42 U.S.C. 1396 et seq.) is amended—

19 (1) by redesignating section 1938 as section
20 1939; and

21 (2) by inserting after section 1937 the following
22 new section:

4 “SEC. 1938. (a) Subject to subsections (b) and (c),
5 a State may elect (through a State plan amendment) to
6 make medical assistance described in section
7 1905(a)(4)(C) available to any individual whose family in-
8 come does not exceed the greater of—

“(2) the eligibility income level (expressed as a percentage of such poverty line) that has been specified under a waiver authorized by the Secretary or under section 1902(r)(2)), as of October 1, 2006, for an individual to be eligible for medical assistance under the State plan.

22 “(b) Medical assistance described in section
23 1905(a)(4)(C) that is made available under a State plan
24 amendment under subsection (a) shall—

1 “(1) not be less in amount, duration, or scope
2 than the medical assistance described in that section
3 that is made available to any other individual under
4 the State plan; and

5 “(2) be provided in accordance with the restric-
6 tions on deductions, cost sharing, or similar charges
7 imposed under section 1916(a)(2)(D).

8 “Option to Extend Coverage During a Post-Eligibility
9 Period

10 “(c)

11 “(1) INITIAL PERIOD.—A State plan amend-
12 ment made under subsection (a) may provide that
13 any individual who was receiving medical assistance
14 described in section 1905(a)(4)(C) as a result of
15 such amendment, and who becomes ineligible for
16 such assistance because of hours of, or income from,
17 employment, may remain eligible for such medical
18 assistance through the end of the 6-month period
19 that begins on the first day the individual becomes
20 so ineligible.

21 “(2) ADDITIONAL EXTENSION.—A State plan
22 amendment made under subsection (a) may provide
23 that any individual who has received medical assist-
24 ance described in section 1905(a)(4)(C) during the
25 entire 6-month period described in paragraph (1)

1 may be extended coverage for such assistance for a
2 succeeding 6-month period.”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 subsection (a) apply to medical assistance provided on and
5 after October 1, 2006.

6 **SEC. 6. STATE OPTION TO EXTEND THE POSTPARTUM PE-**
7 **RIOD FOR PROVISION OF FAMILY PLANNING**
8 **SERVICES AND SUPPLIES.**

9 (a) IN GENERAL.—Section 1902(e)(5) of the Social
10 Security Act (42 U.S.C. 1396a(e)(5)) is amended—

11 (1) by striking “eligible under the plan, as
12 though” and inserting “eligible under the plan—

13 “(A) as though”;

14 (2) by striking the period and inserting “;
15 and”; and

16 (3) by adding at the end the following new sub-
17 paragraph:

18 “(B) for medical assistance described in section
19 1905(a)(4)(C) for so long as the family income of
20 such woman does not exceed the maximum income
21 level established by the State for the woman to be
22 eligible for medical assistance under the State plan
23 (as a result of pregnancy or otherwise).”.

1 (b) EFFECTIVE DATE.—The amendments made by
 2 subsection (a) apply to medical assistance provided on and
 3 after October 1, 2006.

4 **SEC. 7. STATE OPTION TO PROVIDE WRAP-AROUND SCHIP**
 5 **COVERAGE TO CHILDREN WHO HAVE OTHER**
 6 **HEALTH COVERAGE.**

7 (a) IN GENERAL.—

8 (1) SCHIP.—

9 (A) STATE OPTION TO PROVIDE WRAP-
 10 AROUND COVERAGE.—Section 2110(b) of the
 11 Social Security Act (42 U.S.C. 1397jj(b)) is
 12 amended—

13 (i) in paragraph (1)(C), by inserting
 14 “, subject to paragraph (5),” after “under
 15 title XIX or”; and

16 (ii) by adding at the end the fol-
 17 lowing:

18 “(5) STATE OPTION TO PROVIDE WRAP-AROUND
 19 COVERAGE.—A State may waive the requirement of
 20 paragraph (1)(C) that a targeted low-income child
 21 may not be covered under a group health plan or
 22 under health insurance coverage, if the State satis-
 23 fies the conditions described in subsection (c)(8).
 24 The State may waive such requirement in order to
 25 provide—

1 “(A) services for a child with special health
2 care needs; or

3 “(B) all services.

4 In waiving such requirement, a State may limit the
5 application of the waiver to children whose family in-
6 come does not exceed a level specified by the State,
7 so long as the level so specified does not exceed the
8 maximum income level otherwise established for
9 other children under the State child health plan .”.

10 (B) CONDITIONS DESCRIBED.—Section
11 2105(c) of the Social Security Act (42 U.S.C.
12 1397ee(c)) is amended by adding at the end the
13 following:

14 “(8) CONDITIONS FOR PROVISION OF WRAP-
15 AROUND COVERAGE.—For purposes of section
16 2110(b)(5), the conditions described in this para-
17 graph are the following:

18 “(A) INCOME ELIGIBILITY.—The State
19 child health plan (whether implemented under
20 title XIX or this XXI)—

21 “(i) has the highest income eligibility
22 standard permitted under this title as of
23 January 1, 2006;

1 “(ii) subject to subparagraph (B),
2 does not limit the acceptance of applica-
3 tions for children; and

4 “(iii) provides benefits to all children
5 in the State who apply for and meet eligi-
6 bility standards.

7 “(B) NO WAITING LIST IMPOSED.—With
8 respect to children whose family income is at or
9 below 200 percent of the poverty line, the State
10 does not impose any numerical limitation, wait-
11 ing list, or similar limitation on the eligibility of
12 such children for child health assistance under
13 such State plan.

14 “(C) NO MORE FAVORABLE TREATMENT.—
15 The State child health plan may not provide
16 more favorable coverage of dental services to
17 the children covered under section 2110(b)(5)
18 than to children otherwise covered under this
19 title.”.

20 (C) STATE OPTION TO WAIVE WAITING PE-
21 RIOD.—Section 2102(b)(1)(B) of the Social Se-
22 curity Act (42 U.S.C. 1397bb(b)(1)(B)), as
23 amended by section 2(b)(3)(B), is amended—

24 (i) in clause (ii), by striking “, and”
25 at the end and inserting a semicolon;

1 (ii) in clause (iii), by striking the pe-
 2 riod at the end and inserting “; and”; and

3 (iii) by adding at the end the fol-
 4 lowing new clause:

5 “(iv) at State option, may not apply a
 6 waiting period in the case of a child de-
 7 scribed in section 2110(b)(5), if the State
 8 satisfies the requirements of section
 9 2105(c)(8).”.

10 (2) APPLICATION OF ENHANCED MATCH UNDER
 11 MEDICAID.—Section 1905 of the Social Security Act
 12 (42 U.S.C. 1396d), as amended by section 2(a)(2),
 13 is amended—

14 (A) in subsection (b), in the fourth sen-
 15 tence, by striking “or (u)(4)” and inserting
 16 “(u)(4), or (u)(5)”; and

17 (B) in subsection (u)—

18 (i) by redesignating paragraph (5) as
 19 paragraph (6); and

20 (ii) by inserting after paragraph (4)
 21 the following:

22 “(5) For purposes of subsection (b), the ex-
 23 penditures described in this paragraph are expendi-
 24 tures for items and services for children described in
 25 section 2110(b)(5), but only in the case of a State

1 that satisfies the requirements of section
2 2105(e)(8).”.

3 (3) APPLICATION OF SECONDARY PAYOR PROVI-
4 SIONS.—Section 2107(e)(1) of the Social Security
5 Act (42 U.S.C. 1397gg(e)(1)) is amended by redes-
6 ignating subparagraphs (B) through (D) as subpara-
7 graphs (C) through (E) and by inserting after sub-
8 paragraph (A) the following new subparagraph:

9 “(B) Section 1902(a)(25) (relating to co-
10 ordination of benefits and secondary payor pro-
11 visions) with respect to children covered under
12 a waiver described in section 2110(b)(5).”.

13 (b) EFFECTIVE DATE.—The amendments made by
14 subsection (a) shall take effect on January 1, 2006, and
15 shall apply to child health assistance and medical assist-
16 ance provided on or after that date.

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